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## PRIME MINISTER

FOR MEDIA

27 February 1985

### JOINT STATEMENT BY THE PRIME MINISTER AND PREMIER OF NEW SOUTH WALES

The Premier, Mr Mulock, Dr Blewett and I met yesterday with the Federal President of the AMA, Dr Lindsay Thompson, and other members of his negotiating team.

We give an unequivocal guarantee that it is not the intention of our Governments, or the Australian Labor Party, to nationalise medical practice in Australia.

We recognise that it is vital to the continuation of high medical standards in Australia to promote and encourage private practice in public hospitals.

Yesterday's meeting identified a number of matters which are central to achieving this objective. Firm proposals on these matters will be put to Cabinet in two weeks time. Specific announcements on their implementation will follow.

They are:

1. Arrangements to make private health insurance more affordable.
2. The automatic classification of privately insured persons as private patients unless they make a positive decision to be public.
3. Reduction in the cost of being treated as a private patient, by requiring only a single \$10 gap for all the medical services required during a hospital admission.
4. The principle of community rating should be reinforced. The Commonwealth Government will take positive action to ensure that the cost of hospital insurance is fair for all Australians.

The above matters, which contribute to ensuring a suitable mix of public and private patients in public hospitals will be discussed with all State Governments and the Voluntary Health Insurance Association of Australia during the next week.

The Governments have accepted the need for additional funding for teaching hospitals. We have asked the AMA to put forward specific proposals on the funding needs of the teaching hospitals. These proposals will also be considered as a matter of priority by Cabinet.

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Detailed negotiations on methods of remuneration to doctors for the treatment of public patients are proceeding.

Discussions are also continuing on several other complex issues brought forward by the AMA.

The current negotiations are vital to a sensible settlement of this prolonged dispute which has caused severe hardship to the sick and injured. The negotiations will proceed while the NSW medical profession follows the AMA's call to make themselves available for normal duties.